

Administration of Barack H. Obama, 2010

**Statement on the Implementation of the Credit Card Accountability
Responsibility and Disclosure Act of 2009**

February 22, 2010

Today the major reforms of the Credit Card Accountability Responsibility and Disclosure Act that I signed into law last spring take effect, marking a significant turning point for American consumers. For too long, credit card companies have had free rein to employ deceptive, unfair tactics that hit responsible consumers with unreasonable costs. But today we are shifting the balance of power back to the consumer, and we are holding the credit card companies accountable.

The new rules taking effect today mean that credit card companies can no longer retroactively increase rates or increase rates in the first year you open an account, charge misleading late fees, or use over-limit fee traps. They're now required to send ample notification if they plan to make changes to the terms of your card, and they must employ clear, simple standard payment dates and times. There are new protections for underage consumers, restrictions on double billing, and caps on high-fee cards. The new rules are an unprecedented step in my administration's ongoing efforts to strengthen consumer protections and enact meaningful financial reform.

These new rules don't absolve consumers of their obligation to pay their bills, but they finally level the playing field so that every family and small business using a credit card has the information they need to make responsible financial decisions.

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